CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

5 September 1967

MEMORANDUM FOR THE DIRECTOR

SUBJECT: Attached Paper, "Implications of an Unfavorable Outcome in Vietnam"

- l. Considering the difficulty of the subject, the judgments in this paper have fuller agreement among the 30 or more people consulted than might have been expected. In the DDP, quite naturally, they would give greater emphasis to possible damaging reprecussions in the Third World, in particular to the stimulus which might be given to Communist insurgency. The paper allows for this, but considers that it is likely to be a limited phenomenon with local circumstances overriding any generalized stimulus.
- 2. Others, without stressing this danger particularly, would predict a greater setback for US influence in Third World areas owing to some diffuse, intangible loss of confidence in the US and in its willingness to support those who have relied on it in the past. This may be a legitimate point. The paper, in an effort to avoid vague generalization, is focused largely on specific situations and relationships. It is possible that the attempt to analyze concretely in this manner runs afoul of the rule that the whole can sometimes be greater than the sum of the parts. This would mean that, in ways which it is impossible to forecast precisely, there could develop more damaging effects for US policy than the paper suggests.
- 3. There are also some who think that the removal of Vietnam as a particular bone of contention between the US and the USSR would have results which, though certainly superficial in nature, would nevertheless be somewhat likelier to relax tensions than the paper suggests.

GROUP 1
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think that it makes the costs and risks of failure in Vietnam seem less formidable than usually alleged. This they take to be an argument for moving to end the war now, even at the cost of accepting peace terms which would constitute frustration for our aims and success sooner or later for the Communists. This paper itself makes no such argument. It deals narrowly with the hypothetical question which was put, i.e., what the consequences of an unfavorable outcome for American policy and interests as a whole would be. It has no bearing whatever on whether the present political-military outlook within Vietnam makes acceptance of such an outcome advisable.

FOR	THE	BOARD	OF	NATIONAL	ESTIMATES:	·
						ARBOT SMITH Acting Chairman

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